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CODE OF CONDUCT TO REGULATE, MONITOR AND REPORT TRADING
BY INSIDERS
(With effect from May 15, 2015)

Regulation 9(1) of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 requires a listed company to formulate a code of conduct to regulate, monitor and report trading by its employees and other connected persons towards achieving compliance with the said regulations and adopting the minimum standards set out in Schedule B to the regulations.

Accordingly, a revised Code of Conduct to regulate, monitor and report trading by insiders for the company is hereby framed in substitution of the earlier Code of Conduct for insider trading.

1. Definitions

1.1 “**Act**” means the Securities and Exchange Board of India Act (“SEBI”), 1992 as amended from time to time.

1.2 “**Board**” means the Board of Directors of the Company.

1.3 “**Code**” or “**Code of Conduct**” shall mean the Code of Conduct to Regulate, Monitor and Report trading by insiders of the Company as amended from time to time.

1.4 “**Company**” means Saregama India Limited.

1.5 “**Compliance Officer**” means Company Secretary or such other senior officer, who shall be responsible for compliance of policies, procedures, maintenance of records, monitoring adherence to the rules for the preservation of unpublished price sensitive information, monitoring of trades and the implementation of the codes specified in these regulations under the overall supervision of the Board of Directors of the Company.

1.6 “**Connected Person**” means:

(i) any person who is or has during the six months prior to the concerned act been associated with a company, directly or indirectly, in any capacity including by reason of frequent communication with its officers or by being in any contractual, fiduciary or employment relationship or by being a director, officer or an employee of the Company or holds any position including a professional or business relationship between himself and the Company whether temporary or permanent, that allows such person, directly or indirectly, access to unpublished price sensitive information or is reasonably expected to allow such access.

(ii) Without prejudice to the generality of the foregoing, the persons falling within the following categories shall be deemed to be connected persons unless the contrary is established,

(a) an immediate relative of connected persons specified in clause (i); or

(b) a holding company or associate company or subsidiary company; or

(c) an intermediary as specified in Section 12 of the Act or an employee or director thereof; or

(d) an investment company, trustee company, asset management company or an employee or director thereof; or

(e) an official of a stock exchange or of clearing house or corporation; or

(f) a member of board of trustees of a mutual fund or a member of the board of directors of the asset management company of a mutual fund or is an employee thereof; or

(g) a member of the Board of directors or an employee, of a public financial institution as defined in section 2 (72) of the Companies Act, 2013; or

(h) an official or an employee of a self-regulatory organization recognized or authorized by the Board; or

(i) a banker of the Company; or

a concern, firm, trust, Hindu undivided family, company or association of persons wherein a director of the Company or his immediate relative or banker of the Company, has more than ten per cent, of the holding or interest.

1.7 Designated Persons means:

(i) All Directors of the Company

(ii) Key Managerial personnel as defined in Companies Act, 2013

(iii) All employees in the grade of Executive Director and above of the Company

(iv) Employees designated as Vice President - Finance, Senior Manager - Finance and Accounts in the Company.

(v) Immediate relatives of the persons mentioned above.

1.8 "Generally available Information" means information that is accessible to the public on a non-discriminatory basis.

1.9 "Immediate Relative" means a spouse of a person, and includes parent, sibling, and child of such person or of the spouse, any of whom is either dependent financially

on such person, or consults such person in taking decisions relating to trading in securities.

1.10 **"Insider"** means any person who,

- (i) a connected person; or
- (ii) in possession of or having access to unpublished price sensitive information.

1.11 **"Promoter"** shall have the meaning assigned to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 or any modification thereof:

1.12 **"Securities of the Company"** shall have the meaning assigned to it under the Securities Contracts (Regulation) Act, 1956 or any modification thereof;

1.13 **"Trading"** means and includes subscribing, buying, selling, dealing, or agreeing to subscribe, buy, sell, deal in any securities, and "trade" shall be construed accordingly;

1.14 **"Trading Day"** means a day on which the recognized stock exchanges are open for trading;

1.15 **"Unpublished Price Sensitive Information" ("UPSI")** means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily include but is not restricted to, information relating to the following:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel; and
- (vi) material events in accordance with the listing agreement

Other terms not defined here shall have the same meaning as assigned to it under the regulations.

2. Obligations of an Insider

2.1 Communication or procurement of UPSI

2.1.1 No insider shall communicate, provide, or allow access to any unpublished price sensitive information, relating to a company or securities listed or proposed to be listed, to any person including other insiders except where such communication is in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2.1.2 Designated persons shall maintain confidentiality of all UPSI. They shall not pass on information to any person, directly or indirectly.

2.1.3 No person shall procure from or cause the communication by any insider of UPSI relating to the Company or securities of the Company, listed or proposed to be listed except in furtherance of legitimate purposes, performance of duties or discharge of legal obligations.

2.1.4 Any UPSI may be communicated, provided, allowed access to or procured in connection with a transaction that meets either of the stipulations laid down in Regulation 3(3) of the regulations.

2.2 Trading when in possession of UPSI

2.2.1 No insider shall trade in securities of the Company that are listed or proposed to be listed on the Stock Exchange when in possession of UPSI.

2.2.2 An Insider trading in securities of the Company that are listed or proposed to be listed on a Stock Exchange when in possession of UPSI may prove his innocence by demonstrating the circumstances including the situations laid down in the proviso to Regulation 4(1) of the SEBI Regulations.

2.2.3 in the case of connected persons, the onus of establishing that they were not in possession of UPSI shall be on such Connected persons and, in other cases, the onus would be on SEBI.

2.3. Trading Plans

An insider shall be entitled to formulate a trading plan and present it to the compliance officer for approval and public disclosure pursuant to which trades may be carried out on his behalf in accordance with such plan. Further details appear in Paragraph 4 below.

2.4 Trading Window and Pre-clearance of trades

2.4.1 Designated persons shall not trade in securities of the Company when the trading window is closed.

2.4.2 When the Trading Window is open, trading by Designated persons shall be subject to pre-clearance by the Compliance Officer if the value of the proposed trade is above Rs. 5,00,000 (Rupees Five Lakhs) in value over any calendar quarter or such other limits as the Board may stipulate.

2.4.3 No Designated Person shall apply for pre-clearance for proposed trading in the securities of the Company if such designated person is in possession of UPSI even if the Trading Window is not closed.

2.4.4 Further details appear in Paragraph 5 below.

3. Code of Fair Disclosure

A code of practices and procedures for fair disclosure of UPSI will be published on the Company's official website. The Code would adhere to each of the principles set out in Schedule A of the Regulations.

The aforesaid Code and every amendment thereto shall be promptly intimated to Stock Exchanges where the securities of the Company are listed.

4. Trading Plan

4.1. The Trading Plan referred to in Para 2.3 hereof shall

- (i) not entail commencement of trading on behalf of the insider earlier than six months from the public disclosure of the plan;
- (ii) not entail trading for the period between the twentieth trading day prior to the last day of any financial period for which results are required to be announced by the issuer of the securities and the second trading day after the disclosure of such financial results;
- (iii) entail trading envisaged for a period of not less than twelve months;
- (iv) not entail overlap of any period for which another trading plan is already in existence;
- (v) set out either the value of trades to be effected or the number of securities to be traded along with the nature of the trade and the intervals at, or dates on which such trades shall be effected; and
- (vi) not entail trading in securities for market abuse.

4.2 The compliance officer shall review the trading plan to assess whether the plan would have any potential for violation of these regulations and shall be entitled to seek such express undertakings as may be necessary to enable such assessment and to approve and monitor the implementation of the plan.

4.3 The Trading Plan once approved shall be irrevocable and the Insider shall mandatorily have to implement the plan, without being entitled to either deviate from it or to execute any trade in the securities outside the scope of the trading plan.

4.4. If at the time of formulation of plan, the Insider is in possession of any UPSI that has not become generally available the implementation of the Trading Plan shall not be commenced. The commencement of the Trading Plan shall be deferred until such UPSI becomes generally available information.

4.5 Upon approval of the trading plan, the compliance officer shall notify the plan to the stock exchanges on which the securities are listed.

5. Trading Window and Pre-clearance of Trades

5.1 For compliance with the Regulations, a notional trading window shall be used as an instrument for monitoring trading by Designated Persons, who may execute trades subject to compliance with the Regulations as stipulated for them.

5.2 The Trading Window shall be closed when the Compliance Officer determines that a Designated Person or class of Designated persons can be reasonably be expected to have possession of UPSI. Accordingly, the Trading Window shall be, inter alia, closed at the time of:

- (i) financial results;
- (ii) dividends;
- (iii) change in capital structure;
- (iv) mergers, de-mergers, acquisitions, delistings, disposals and expansion of business and such other transactions;
- (v) changes in key managerial personnel
- (vi) material events in accordance with the listing agreement

5.3 Such closure shall be imposed in relation to securities of the Company to which such UPSI relates.

5.4 The timing of re-opening of the Trading Window shall be determined by the Compliance Officer taking into account various factors including the UPSI in question becoming generally available and being capable of assimilation by the market, which in any event shall not be later than 48 hours after the information becomes generally available.

5.5 The trading window shall also be applicable to any person having contractual or fiduciary relation with the company, such as auditors, accountancy firms, law firms, analysts, consultants etc., assisting or advising the company.

5.6 Prior to approving any trades, the Compliance Officer, for the purpose of pre-clearance, shall be entitled to seek declarations to the effect that the applicant is not in possession of any UPSI. He shall also have regard to whether any such declaration is reasonably capable of being rendered inaccurate.

5.7 Trades that have been pre-cleared have to be executed within 7 trading days failing which fresh pre-clearance would be needed for the trades to be executed.

5.8 A designated person who is permitted to trade shall not execute a contra trade for a period of six months. The Compliance Officer may be empowered to grant relaxation from strict application of such restriction for reasons to be recorded in writing provided that such relaxation does not violate these regulations. Should a contra trade be executed, inadvertently or otherwise, in violation of such a restriction, the profits from such trade shall be liable to be disgorged for remittance to the Board for credit

to the Investor Protection and Education Fund administered by the Board under the Act.

5.9 In absence of the Compliance officer, the Executive Director and CFO shall deal with the pre-clearance requests.

6. Reporting Requirements for transactions in securities

6.1 Initial Disclosure

Every promoter/ Key Managerial Personnel / Director / Officers / Designated Employees of the Company, within thirty days of these regulations taking effect, shall forward to the Company the details of all holdings in securities of the Company presently held by them including the statement of holdings of dependent family members in the prescribed Form.

Every person on appointment as a key managerial personnel or a director of the Company or upon becoming a promoter shall disclose his holding of securities of the Company as on the date of appointment or becoming a promoter, to the Company within seven days of such appointment or becoming a promoter.

6.2 Continual Disclosure

Every promoter, employee and director of the Company shall disclose to the Company the number of such securities acquired or disposed of within two trading days of such transaction if the value of the securities traded, whether in one transaction or a series of transactions over any calendar quarter, aggregates to a traded value in excess of Rs. 10,00,000 (Rupees Ten lakhs).

The disclosure shall be made within 2 working days of:

- (a) the receipt of intimation of allotment of shares, or
- (b) the acquisition or sale of shares or voting rights, as the case may be.

7. Penalty for contravention of the code of conduct

7.1 Every Designated Person shall be individually responsible for complying with the provisions of the Code (including to the extent the provisions hereof are applicable to his/her immediate relatives).

7.2 Any Designated Person who trades in securities or communicates any information for trading in securities, in contravention of this Code may be penalised and appropriate action may be taken by the Company in accordance with the Act.

7.3 The action by the Company shall not preclude SEBI from taking any action in case of violation of SEBI (Prohibition of Insider Trading) Regulations, 2015.

7.4 Action taken by the Company for violation of regulations and the Code against any person will not preclude SEBI from taking any action for violation of the Regulations or any other applicable law/rules/regulations.

7.5 The terms of Model Code of Conduct for prevention of Insider Trading for Listed Companies as contained in Schedule B to the Regulations, to the extent not specifically provided herein shall continue to apply as if the same have been specifically set out herein.